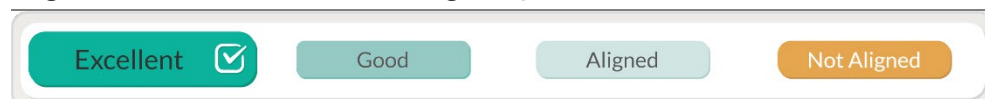


A2A S.p.A.

Second-Party Opinion – Sustainable Finance Framework – Green, Blue and Sustainability-Linked Financing Components

A2A S.p.A. is a multi-utility company in Italy, in electricity generation and networks, circular economy services, and water and wastewater management. Its framework has green, blue and sustainability-linked financing components, and aligns with the core pillars of the principles in the sidebar.

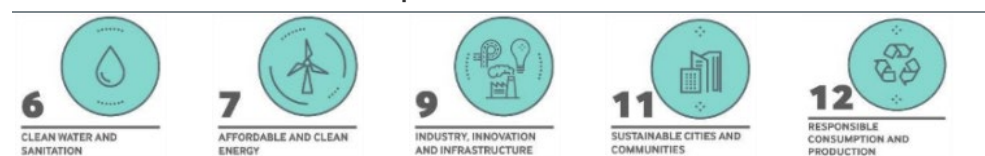
Alignment - Green and Blue Financing Component



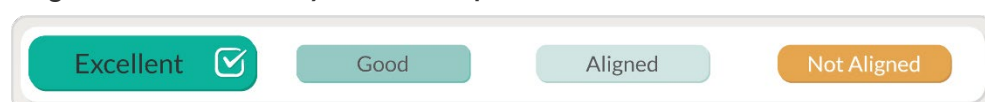
Use of Proceeds Summary – ICMA Categories

Green	Renewable energy Energy efficiency Transmission and distribution networks Pollution prevention and control Clean transportation
Green and Blue	Sustainable water and wastewater management

Relevant UN Sustainable Development Goals



Alignment - Sustainability-Linked Component



KPI and Target Summary

Base Number Date	Current Number Date	Target Number Date	Benefit	Penalty
KPI 1: Scopes 1 and 2 GHG emissions intensity (gCO₂e/kWh)				
425 31 Dec 2017	258 31 Dec 2024	228 31 Dec 2030	Not applicable	Minimum 25bp
425 31 Dec 2017	258 31 Dec 2024	161 31 Dec 2035		
KPI 2: Renewable energy installed capacity (GW)				
1.9 31 Dec 2017	2.6 31 Dec 2024	3.7 31 Dec 2030	Not applicable	Minimum 25bp
1.9 31 Dec 2017	2.6 31 Dec 2024	5.7 31 Dec 2035		
KPI 3: Installed capacity of the electricity grid (megavolt-amperes; MVA)				
4,524 31 Dec 2021	5,155 31 Dec 2024	10,642 31 Dec 2030	Not applicable	Minimum 25bp
4,524 31 Dec 2021	5,155 31 Dec 2024	10,899 31 Dec 2035		

Relevant UN Sustainable Development Goals



Framework Type	Green/Blue/Sustainability-Linked
Alignment	✓ Green Bond Principles 2025 (ICMA) ✓ Sustainability-Linked Bond Principles 2024 (ICMA) ✓ Green Loan Principles 2025 (LMA) ✓ Sustainability-Linked Loan Principles 2025 (LMA) ✓ International Finance Corporation Guidelines for Blue Finance
Date assigned	15 December 2025
SPO Methodology	
See Appendix B for definitions.	

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Green and Blue Financing Components

Pillar	Alignment	Key Drivers
Use of Proceeds	Good	Sustainable Fitch views A2A's sustainable finance framework and use of proceeds (UoP) categories as aligned with the ICMA Green Bond Principles and the LMA Green Loan Principles, and to demonstrate clear environmental benefits.
Use of Proceeds – Other Information	Good	A2A's sustainable finance framework allows for both new financing and refinancing of existing projects, and the allocation report will specify the share of each. A clear ban on controversial projects is available, which positively affects the result of this section.
Evaluation and Selection	Excellent	A2A's project evaluation and selection process is comprehensive and well-detailed in the framework; the involvement of members from both the treasury and sustainability development departments supports the positive outcome of this section.
Management of Proceeds	Good	The company follows standard market practice by holding unallocated proceeds in cash or other liquid assets and follows best practice by allowing their removal if the criteria are no longer met.
Reporting and Transparency	Excellent	A2A has committed to providing annual allocation and impact reporting on an aggregated category basis, either until full allocation or until maturity, in line with standard market practice.

Sustainability-Linked Financing Components

Pillar	Alignment	Key Drivers
KPI Selection	Excellent	- We consider A2A's selected KPIs to be relevant and material to both the company's business and sustainability strategy. We consider the broad perimeters of the selected KPIs, which capture a significant proportion of its operations, to enhance their materiality. - A2A's KPI selection is strengthened by the disclosure of the historical data series for all KPIs, which provides greater transparency for investors.
Performance Targets	Good	The selected sustainability performance targets (SPTs) represent an improvement in the KPI performance, particularly for SPT 1, which exceeds the previously validated Science Based Targets initiative trajectory.
Instrument Features	Good	The instruments issued under A2A's framework are subject to an additional coupon or margin adjustment, or a premium payment amount, if one or more of the SPTs are not met on the target observation date, consistent with standard market practice.
Reporting	Excellent	A2A has committed to report on key components, providing transparency on its performance against the SPTs on a semi-annual basis and on their performances in A2A's sustainability reporting.
Verification	Excellent	A2A has committed to obtain an external review on its progress against the SPTs based on a limited assurance standard by an external and independent verifier, which will be available on A2A's website.

Framework Highlights

We consider transactions under A2A's sustainable finance framework to be aligned with the ICMA Green Bond Principles and IFC Guidelines for Blue Finance Version 2.0, the ICMA Sustainability-Linked Bond Principles and the LMA Sustainability-Linked Loan Principles and Green Loan Principles. The framework includes components for issuing both green and blue financing instruments as well as sustainability-linked issuances.

Green and Blue Financing Components

A2A's sustainable finance framework allows issuance of green and blue financing instruments aligned with the ICMA Green Bond Principles (2025) and the LMA Green Loan Principles (2025), and blue instruments aligned with IFC Guidelines for Blue Finance Version 2.0. The proceeds will finance or refinance eligible projects in renewable energy, energy efficiency,

transmission and distribution networks, sustainable water and wastewater management, pollution prevention and control, and clean transportation.

There are explicit exclusions for fossil and nuclear energy generation and for new gas distribution networks. Eligible expenditures include capex, opex for improvement and maintenance, R&D, fixed assets and acquisitions where at least 90% of revenue or balance sheet derive from eligible activities.

Project evaluation and selection is based on planning and control data and seeks alignment, as closely as possible, with the EU taxonomy delegated acts, including do no significant harm (DNSH) and minimum safeguards (MS); A2A will disclose the share of proceeds allocated to projects fully aligned with the EU taxonomy in its allocation reporting. Oversight is provided by its sustainable finance committee, which reviews, validates and monitors eligible projects and ESG controversies.

Proceeds' management requires earmarking an amount equal to net proceeds to eligible projects, with an endeavour to fully allocate proceeds within four years and the ability to refinance projects up to 36 months prior to issuance. No lookback period is applied in case of fixed assets allocation. A2A commits to substitute projects that cease to be eligible or face material ESG controversies within 24 months. Pending allocation, proceeds may be invested in cash or equivalents not linked to GHG-intensive activities.

A2A will provide annual allocation and impact reporting on its website, including proceeds allocation by category, financing versus refinancing proportions, EU taxonomy alignment, and environmental impact metrics, subject to external verification until full allocation and thereafter in case of material changes.

Sustainability-Linked Financing Components

A2A's sustainable finance framework enables the issuance of sustainability-linked financing instruments aligned with the ICMA Sustainability-Linked Bond Principles (2024) and the LMA Sustainability-Linked Loan Principles (2025). Proceeds of sustainability-linked instruments are for general corporate purposes, and the financial characteristics may adjust (coupon or margin step-up, or a premium payment) if a trigger event occurs, including missed SPTs or absent reporting or verification as set out in the framework.

The SPTs are anchored in three KPIs that are core and material to A2A's business: Scopes 1 and 2 GHG emissions intensity (gCO₂e/kWh), with targets of 228gCO₂e/kWh by 2030 and 161gCO₂e/kWh by 2035; renewable energy installed capacity (GW) across wind, solar and hydropower, targeting 3.7GW by 2030 and 5.7GW by 2035; and installed capacity of the electricity grid (MVA), supporting electrification and system reliability, targeting 10,642MVA by 2030 and 10,899MVA by 2035.

These KPIs reflect A2A's commitment to the energy transition and grid readiness, directly supporting climate change mitigation and UN Sustainable Development Goals (SDGs) 7 (affordable and clean energy) and 13 (climate action). Performance against SPTs will be reported semi-annually and externally verified with limited assurance, and missed SPTs may trigger the defined financial adjustment mechanism.

Source: Sustainable Fitch, A2A sustainable finance framework 2025

Entity Highlights

A2A is a prominent Italian multi-utility company operating in four primary business units: generation and trading, market, circular economy and smart infrastructure. The company's operations encompass a wide range of services, including power generation, sale and distribution of electricity and gas, district heating, waste collection, material and energy recovery from waste, e-mobility, smart cities, integrated water services, public lighting and energy efficiency. A2A also develops and manages technological infrastructure for integrated digital services, positioning itself as a comprehensive utility provider.

A2A is the second-largest electricity generation player in Italy, with around 9.4GW of installed capacity as of 31 December 2024. In 2024, renewable energy generation accounted for a significant portion of total production.



The company set targets to achieve 5.7GW of renewable energy capacity by 2035 with a diversified pipeline (solar, wind, hydro) and to allocate more than 65% of renewable energy sources (RES) production to power purchase agreements by 2035. The plan foresees EUR4.5 billion of capex in RES (2024–2035) and about 70% renewable share of managed energy mix by 2035. These targets reflect A2A's renewable energy portfolio expansion plans, which include solar, wind and hydroelectric power sources. With the contribution of hydropower, A2A is the second-largest renewables player in Italy, with 2.6GW of installed capacity as of December 2024.

A2A renewed its commitment to net zero by 2050 in its updated 2025 strategic plan. The company targets an emission factor of 228gCO₂/kWh by 2030 (Scopes 1 and 2) and net zero by 2050, alongside Scope 3 reductions of 60% from upstream energy carriers and 22% from gas sold by 2035.

A2A's transition plan taskforce provides strategic guidance to reach net zero across all Scopes. The company phased out coal in 2023, in line with Italy's national objectives to eliminate coal by 2025. This achievement showcases A2A's ability to adapt to changing energy landscapes while maintaining its commitment to sustainability.

In 2024, A2A completed an acquisition of the electricity network Milan province and in Valtrompia, with over 17,000km of networks and around 800,000 points of delivery. The strategic plan targets an electricity regulatory asset base of EUR4 billion by 2035, supported by electrification investments and an expanded distribution system operator footprint, including integrating acquired Duereti assets with accelerated regulatory asset base growth.

A2A operates in the circular economy sector, covering the waste management value chain and serving urban and industrial customers. The plan targets total waste treated of 6.6 million tonnes by 2035, with increased energy recovery, and EUR0.7 billion of EBITDA in waste collection and treatment by 2035 supported by EUR3.3 billion of capex (2024–2035). A2A's broader circular economy business unit (including heat management, district heating, water cycle and the new data centre business line) targets EUR6.5 billion of capex (2024–2035) and EUR1.3 billion of EBITDA by 2035, delivering 2.3 terawatt-hours (TWh) of renewable heat by 2035.

A2A aligns its business activities with the SDGs. The company integrates these goals into its strategic planning and operational decisions, ensuring that its business activities contribute positively to sustainable development. A2A reports its progress in accordance with international standards, including those of the European Sustainability Reporting Standards and the Task Force on Climate-related Financial Disclosures, providing transparency and accountability in its sustainability efforts.

The company maintains a robust enterprise risk management framework, which is integral to its operations and decision-making processes. A2A integrates risk management within its quality, environment, health and safety management systems, supporting certifications in line with ISO standards for quality management (ISO 9001:2015), environmental management (ISO 14001:2015) and occupational health and safety (ISO 45001:2018). Furthermore, the company adheres to the SA8000 standard on social responsibility and ISO 39001:2021 on road safety management, demonstrating a comprehensive approach to risk mitigation across various aspects of its operations.

Source: Sustainable Fitch, A2A report on operations 2024

Green and Blue Financing Components

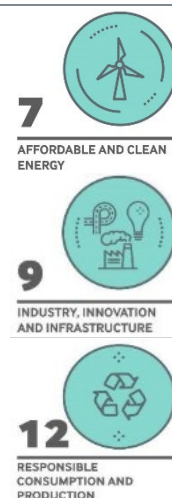
Use of Proceeds – Eligible Projects	Alignment: Good
Company Material	Sustainable Fitch's View
Renewable energy - green - Eligible projects are aimed at increasing production and storage of renewable energy, through acquisitions, construction or maintenance, including: - solar PV/wind plants; - hydropower plants considering only the assets aligned with the EU taxonomy; - biomethane plants considering only the assets aligned with the EU taxonomy; - bioenergy plants for electricity production and/or co-generation of heat/cool based on agricultural or forest biomass in line with Directive (EU) 2018/2001 and with GHG emission savings of at least 80% compared with the relative fossil fuel comparator and considering only the assets aligned with the EU taxonomy; - anaerobic digestion of organic fraction of municipal solid waste with a monitoring and contingency plan in place to minimise methane leakage; and - energy storage systems (batteries) considering only assets aligned with the EU taxonomy.	- This project category has a positive environmental impact. It contributes to climate change mitigation and the transition to a circular economy by adding renewable generation and storage capacity, and enhancing waste prevention and resource recovery. - In the Italian context, expanding solar PV and wind electricity generation can contribute to displacing fossil-based generation and lower grid emissions, supporting A2A's plan to produce more than 10TWh of green energy by 2035 and complementing network investments that enable higher renewable penetration. - Hydropower adds firm, low-carbon output that stabilises the overall renewable energy source mix and supports reliability as intermittent renewables grow. Its positive environmental benefits are strongest if specific criteria are fulfilled, such as sufficient power density and low life-cycle emissions. A2A intends to only finance assets aligned with the EU taxonomy SCC, ensuring those additional environmental benefits are achieved. - Battery storage strengthens flexibility, reduces curtailment and improves resilience. Battery-storage infrastructure will be a key enabler of Italy's electrification, renewable energy scale-up and A2A's transition. - Anaerobic digestion of organic fraction of municipal solid waste advances circularity by diverting biowaste from landfill, producing biogas or biomethane and reducing methane emissions. It would be most impactful when featuring source-segregated feedstock, appropriate monitoring and contingency plans, and beneficial use of digestate as fertiliser or soil improver. - A2A does not integrate such specifications in its framework, which slightly reduces the positive impact; however, our view remains that the projects can provide positive impact in terms of emissions reductions. - We view bioenergy plants for electricity production and co-generation of heat/cool based on agricultural or forest biomass as a renewable source, whose environmental impact depends materially on the feedstock used. - Agricultural feedstocks can pose risks related to land-use change and competition with food and feed crops, while forest feedstocks may affect carbon stocks if not managed sustainably. Using residual feedstocks can mitigate negative impacts; A2A specifies that it will only consider eligible projects aligned with the EU taxonomy SCC. - In addition, feedstock types have varying potential to generate significant GHG emissions savings when compared to fossil fuels. Sustainably sourced feedstock and particularly residual feedstocks tend to have the strongest GHG emissions-savings potential. A2A does not exclude specific feedstock with higher emissions profiles (such as primary materials), which reduces the positive impact of its bioenergy operations. - We view the renewable energy project category as aligned with the ICMA Green Bond Principles category of renewable energy.





Energy efficiency - green

- Eligible projects are aimed at reducing energy consumption or GHG emissions, including:
 - Waste-to-energy (WtE) efficiency revamping/upgrade (energy production and district heating; recovery operation with R1 energy efficiency at least 0.60), only for facilities respecting the waste hierarchy;
 - services to improve energy efficiency of public lighting from traditional lighting to LED technology;
 - new products and services related to energy efficiency for end customers (eg solar panels);
 - new and refurbished buildings to ensure maximum efficiency throughout best-available technologies (BAT), eg nearly zero-energy buildings framework;
 - installation of electric heat pumps aligned with the EU taxonomy;
 - construction and refurbishment of pipelines for district heating and cooling aligned with the EU taxonomy; and
 - data centres with power usage effectiveness less than 1.5. Where feasible, data centres will implement heat recovery.
- This project category has a positive environmental impact. It contributes to climate change mitigation and the transition to a circular economy by lowering energy consumption and associated GHG emissions across A2A's assets and customer solutions.
- WtE facility upgrades support the WtE generation process, which recovers energy from residual waste that would otherwise go to landfill, reducing methane emissions, diversifying fossil-based energy consumption, and supporting a more circular approach by focusing disposal on non-recyclable fractions.
- However, WtE can also lead to additional emissions if recyclable or compostable materials are incinerated, if plants underperform against BAT standards, or if efficiency is low.
- For this reason, meeting stringent performance and emissions thresholds, such as adhering to the waste hierarchy, achieving an R1 energy efficiency of at least 0.60, and complying with BAT benchmarks enhance the overall impact by lowering emissions intensity and maximising resource efficiency.
- It is positive that A2A's eligible projects focuses on efficiency upgrades to meet these specifications in its eligibility criteria.
- Replacing traditional lighting with LED is an immediate and scalable way to reduce electricity consumption and can have a positive impact when implemented at scale.
- Building-related measures are environmentally positive because efficient design, renovation and equipment upgrades lower operational energy use, reduce emissions and improve building resilience over the life cycle.
- However, they can underdeliver or lock in higher emissions if new builds fall short of near-zero energy performance, if renovations are minimal or if equipment and controls are poorly specified or maintained.
- Meeting robust performance thresholds, such as near-zero energy standards for new construction, deep renovation benchmarks for retrofits, and stringent technical requirements for installed equipment and metering or control devices (as per the EU taxonomy criteria) maximises impact by reducing energy intensity, preventing rebound effects and ensuring long-term efficiency gains. A2A confirmed it meets these criteria.
- Electric heat pumps are environmentally positive because they displace fossil-fuel heating and can draw on increasingly low-carbon electricity, reducing both direct and life-cycle emissions. However, benefits can erode if systems are mis-sized, installed poorly or operated in inefficient temperature regimes, leading to higher electricity demand and suboptimal coefficients of performance.
- Therefore, meeting clear efficiency and installation criteria such as appropriate sizing, low-temperature distribution systems, high seasonal performance factors and commissioning to ensure optimal operation would enhance impact by lowering emissions intensity and stabilising consumption across peak periods. A2A specified that it will meet such criteria for its eligible projects, which is positive from an environmental perspective.
- District heating and cooling networks are environmentally positive because they enable efficient, centralised heat delivery, integration of waste heat and renewables, and system-wide decarbonisation. However, they can increase emissions if network losses are high, supply is dominated by high-carbon sources, or operating temperatures remain unnecessarily high.
- Meeting stringent performance and efficiency criteria – minimising pipeline losses, adopting low-temperature network designs, and aligning supply with low-carbon heat sources (eg waste heat, geothermal, biomass with safeguards, or large heat





	pumps) – would improve outcomes by reducing emissions intensity, enhancing flexibility and supporting circular use of thermal resources. A2A specified that it will meet such criteria for its eligible projects, which we deem as positive for environmental additionality. • Data centres are environmentally positive in terms of enabling digital services that can substitute more resource-intensive activities, but their energy and cooling demands can drive substantial emissions if efficiency is weak or if power is carbon-intensive. • Therefore, meeting ambitious energy performance and efficiency metrics such as low power usage effectiveness, high server utilisation, efficient cooling (free-air or liquid where appropriate) and smart capacity management would strengthen the impact by lowering energy intensity, reducing cooling loads and curbing the carbon footprint of expanding computational demand. • Integrating low-carbon electricity and waste-heat recovery can further enhance circularity and system-wide benefits. • We view the energy efficiency project category as aligned with the ICMA Green Bond Principles category of energy efficiency.	
Transmission and distribution networks - green		
• Eligible projects will be related to electricity network development, enhancement or maintenance.	• This project category contributes to enabling efficient, reliable electricity transmission and distribution, reducing losses, and facilitating higher integration of renewables and electrified end uses. • Investments in transmission and distribution can be environmentally positive by cutting technical losses and enabling more renewable electricity to flow. High-efficiency transformers and voltage control help lower the generation needed to serve demand and they are particularly impactful where fossil plants set the marginal supply. • Reinforcement of lines, substations and interconnectors can alleviate congestion and curtailment, allowing wind and solar to be dispatched more consistently and displacing higher-emission generation. • Benefits are clearest when projects directly connect low-carbon generation, deploy enhanced observability and control (sensors, forecasting, automation) and install smart metering that provides actionable information and supports demand response. • Equipment choices are significant: transformers meeting stringent efficiency tiers and metering that meet modern functional requirements deliver durable system efficiency gains; substandard metering or infrastructure that primarily supports higher-carbon plants may limit outcomes. Interconnectors can amplify benefits when they link at least one low-carbon system, facilitating renewable exchanges and geographic balancing. • Given current disclosures, it is not yet possible to determine the extent of renewable additions or loss reductions that may result from planned investments. We could assess potential environmental benefits if there was more clarity on baseline losses and targeted improvements, congestion relief at renewable bottlenecks, the scale and timing of low-carbon connections enabled, and deployments of advanced control and compliant smart metering. • We view this project category as aligned with the ICMA Green Bond Principles as a project with significant positive environmental impact.	 7 AFFORDABLE AND CLEAN ENERGY



Sustainable water and wastewater management - green and blue

- Eligible projects will be related to sustainable water and wastewater management including:
 - wastewater treatment and purification plants, networks and appliances; and
 - water infrastructure projects aimed at reduction of water losses, including automatic systems to find leakages, new pipelines and water smart meters.
- This project category has a positive environmental impact. It contributes to climate change mitigation and the sustainable use and protection of water and marine resources by enhancing water supply resilience, reducing losses, and improving wastewater treatment quality and coverage.
- Investments in wastewater treatment, purification plants, networks and water infrastructure can deliver environmental benefits by lowering energy use and reducing losses. Upgrades that improve process efficiency at treatment plants and optimise abstraction and treatment can reduce electricity consumption per unit of water produced.
- On the network side, leakage detection, pressure management, new pipelines and smart meters help curb non-revenue water (water that a utility produces and puts into the distribution system but does not generate revenue from), which in turn lowers the energy required for pumping and treatment and reduces associated emissions.
- Reducing non-revenue water and improving treatment reduces energy intensity per unit supplied or treated and environmental impacts on water bodies, while smart metering and network upgrades enable better demand management and efficiency.
- Benefits are strongest where projects achieve low net energy consumption at treatment plants (scaled to plant capacity) and in water production, and where leakage performance improves materially across the relevant zones (eg district metered areas and pressure managed areas).
- Measures such as source control to reduce pollutant loads, and on-site energy generation (hydraulic recovery, solar, wind, thermal) can further reduce net energy demand. Smart metering and data-driven operations enhance visibility and enable targeted interventions, sustaining efficiency gains over time. A2A has not specified if any such specific thresholds will be targeted across its eligible projects.
- We view this project category as aligned with the ICMA Green Bond Principles categories of sustainable water and wastewater management and aligned with the IFC Guidelines for Blue Finance for blue labelled instrument.



Pollution prevention and control - green

- Eligible projects will be related to the following:
 - Developing new WtE plants for non-recyclable waste with levels of thermal efficiency (energy production; R1 at least 0.65) and a minimum energy efficiency of 25%. Only facilities respecting the waste hierarchy to ensure that only residual waste that cannot be reused or recycled can be incinerated are eligible.
 - Waste collection and transport services for municipalities.
 - Plants to recover organic fraction through composting.
 - Material recovery and selection plants.
 - Infrastructures for the treatment of hazardous waste, including the incineration (WtE) of non-recyclable hazardous waste, biological treatment of hazardous waste and physico-chemical treatment.
 - Recovery of heat sources from production activities.
 - Infrastructure for landfill gas capture, where the produced gas is used for the generation of electricity or heat, or upgraded to biomethane, considering only the assets aligned with the EU taxonomy.
- This project category has a neutral environmental impact. It contributes to the transition to a circular economy, and pollution prevention and control by enhancing material and energy recovery from waste, reducing landfill and improving hazardous waste treatment.
- Increasing recovery and reducing landfilling also lowers methane emissions from landfill and may deliver more emissions-efficient combined heat and power solutions compared to fossil fuel sources. WtE further supports Italy's national goals to reduce municipal waste landfilled to 10% by 2035.
- The planned allocation to waste management and recovery can be environmentally positive, and we view as positive that the company already discloses compliance with several key requirements. New WtE plants focused on non-recyclable waste, with strong energy efficiency and respect for the waste hierarchy, can reduce uncontrolled methane from residual waste while generating useful heat and power.
- Complementary investments in municipal collection and transport, composting of source-segregated bio-waste, material recovery facilities, hazardous waste treatment, recovery of industrial waste heat, and landfill gas capture and





	upgrading can together raise recycling rates, cut landfill emissions and displace fossil energy. • Where not yet specified, a few guiding thresholds would help frame our expected positive outcomes. For collection systems, separately collected waste that is segregated at source should be directed to reuse or recycling, with high-quality separate collection (eg door-to-door, supervised points, or pay-as-you-throw or deposit incentives) and ongoing monitoring via KPIs to track quantity and quality and enable corrective action. • A2A reports that 70% of waste is currently segregated at source, compared to 30% non-segregated. This indicates a high level of separation, which supports improved recovery and recycling outcomes and reduces reliance on landfill. • Composting is most beneficial when bio-waste is source-segregated, and the resulting compost meets recognised fertiliser or soil-improver standards and is applied to land. • Material recovery facilities should convert at least half of the processed, separately collected non-hazardous waste into secondary raw materials suitable to substitute virgin inputs, while meeting or exceeding plant-specific recovery targets and implementing best-available techniques and output quality controls. • Additional elements that can strengthen environmental performance include using waste heat to produce heat/cool; ensuring feedstock for recovery originates from appropriately segregated streams (including selective demolition and depollution outputs); and, for landfill gas projects, focusing on permanently closed cells with robust methane monitoring and using captured gas for electricity/heat or upgrading to biomethane. • A2A confirms alignment with the EU taxonomy criteria for activity 5.10 “landfill gas capture and utilisation,” which delivers additional benefits by ensuring compliance with best-practice standards for methane mitigation and energy recovery, thereby maximising climate impact mitigation and resource efficiency. • For reclaimed water, suitability for the intended reuse and appropriate authorisation within integrated water management are key. • Overall, the specifics on thermal efficiency, minimum energy efficiency and limitation on non-recyclable waste indicate positive environmental impact; further detail on the thresholds for the remaining activities would help illustrate the scale of avoided landfill emissions, displacement of fossil energy and material substitution the programme will deliver. • We view this project category as aligned with the ICMA Green Bond Principles categories of pollution prevention and control and circular economy.
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Clean transportation - green

• Eligible projects include projects related to infrastructure for sustainable mobility, including charging infrastructure for low environmental impact vehicles (electric charging hub).	• This project category has a positive environmental impact. It contributes to climate change mitigation by enabling lower emissions from passenger vehicles through enabling electrification of vehicles and deployment of charging infrastructure for communities and A2A’s own operational fleet. • In the Italian context, expanding electric vehicle fleets for municipal and utility operations and increasing public charging availability reduces local air pollutants and GHG emissions, supports electrification of transport. • Installation, maintenance and repair of electric vehicle charging stations underpin reliable operations and enable	 7 AFFORDABLE AND CLEAN ENERGY  9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
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	smart charging features that improve grid integration and can further reduce life-cycle emissions. • We view this project category as aligned with the ICMA Green Bond Principles category of clean transportation.	
Source: A2A sustainable finance framework 2025	Source: Sustainable Fitch	

Use of Proceeds – Other Information

Company Material	Sustainable Fitch's View
- The net proceeds from A2A's green and blue financing instruments will be used to finance or refinance, in full or in part, new or existing eligible green and blue projects, including capex, opex related to improvement and maintenance, R&D, fixed assets and acquisitions where at least 90% of revenue or 90% of the balance sheet derive from eligible activities. - Eligible assets and projects are defined across six categories: renewable energy; energy efficiency; transmission and distribution networks; sustainable water and wastewater management; pollution prevention and control; and clean transportation. Alignment, as closely as possible, with the EU taxonomy delegated acts, including DNSH and MS, is considered in the selection process, and A2A will disclose in allocation reporting the share of proceeds allocated to projects fully aligned with the EU taxonomy. - Exclusions apply to fossil energy generation, nuclear energy generation, and development of new gas distribution pipelines/networks. - A2A will endeavour to fully allocate within four years; net proceeds can refinance eligible projects disbursed, delivered or acquired up to three years before issuance.	- We consider A2A's framework credible in defining clear eligible categories and exclusions, and in its intention to align, where possible, with the EU taxonomy and disclose taxonomy-aligned shares in allocation reporting. This supports environmental integrity. - The three-year lookback for refinancing capex/opex is in line with standard market practice. Best practice can include shorter lookbacks to enhance additionality. A2A's commitment to disclose financing versus refinancing shares in annual reports provides transparency. There is no pre-set commitment in the framework on the intended ratio between new financing and refinancing. Including an expectation at the framework stage would provide an extra layer of transparency on the potential impact of the bond from an additionality point of view. - The explicit exclusions for fossil, nuclear and new gas distribution networks mitigate transition risks and social controversy exposure, strengthening the UoP section.
Source: A2A sustainable finance framework 2025	Source: Sustainable Fitch

Evaluation and Selection

Company Material	Sustainable Fitch's View
- Project evaluation and selection are performed by finance and approved by the sustainable finance committee (SFC). The analysis is based on planning and control capex/opex data, including indications of eligibility and EU taxonomy alignment. - As part of selection, eligible projects are verified for alignment, as closely as possible, with EU taxonomy (including DNSH and MS), and must comply with applicable national, European and international environmental and social standards. - The SFC reviews, validates and monitors the pool of eligible projects, ESG controversies, KPIs/SPTs (for sustainability-linked instruments), impact metrics, annual reporting, market practice evolution and framework updates. The approved projects are registered in the green and blue financing register.	- We view A2A's evaluation and selection process as comprehensive, with clear governance via the cross-departmental SFC and integration of an ESG enterprise risk management system, DNSH and MS checks. - The structured responsibilities, periodic oversight and controversy monitoring strengthen control and integrity. The use of internal planning and control data, taxonomy mapping, and maintenance of a dedicated register support traceability and align with best practice.
Source: A2A sustainable finance framework 2025	Source: Sustainable Fitch

Management of Proceeds

Company Material	Sustainable Fitch's View
- An amount equal to net proceeds will be earmarked to eligible projects selected by the SFC; the treasury transfers proceeds to subsidiaries delivering the projects via intercompany loans or equity. A2A will endeavour to fully allocate proceeds within four years, with a refinancing lookback period of up to three years prior to issuance. - If projects cease to be eligible, are disposed of or face material ESG controversy, A2A commits to substitution within 24 months, to the extent possible. - Pending allocation, balances may be invested in cash and/or cash equivalents and/or other liquid marketable instruments, excluding GHG-intensive activities per financial policy. Principal and interest payments are from general funds and are not linked to project performance.	- A2A's proceeds management follows market practice: earmarking equal amounts to net proceeds, defined allocation timelines, substitution mechanisms, and exclusion of GHG-intensive temporary investments. These features enhance assurance on dedicated use and environmental integrity. - We consider a clear segregation of the UoP, either through a dedicated account or an SPV, and ensuring that unallocated proceeds are invested exclusively in sustainable activities aligned with the bond's framework as a more beneficial approach. This practice enhances transparency and assurance that the funds will support fully green projects. The approach to refinancing, allocation timelines and governance by the treasury and the SFC provides robust tracking and flexibility while maintaining safeguards through substitution commitments.
Source: A2A sustainable finance framework 2025	Source: Sustainable Fitch

Reporting and Transparency

Alignment: Excellent

Company Material	Sustainable Fitch's View
- Annual allocation reporting (until full allocation, and thereafter in case of material changes) will disclose: - proceeds allocation by category; - financing versus refinancing proportions; - year of operation of acquired assets (if feasible); - percentage of EU taxonomy-aligned projects (including substantial contribution criteria, DNSH, MS); - co-financing share (if feasible); - balance of any unallocated proceeds and temporary investments (if feasible); - material developments/ESG controversies; and - a list of eligible projects with brief descriptions and locations. - A2A will use EU Green Bond Standard (GBS) templates. Reports will be available on A2A's website. - Impact/performance reporting will provide qualitative and/or quantitative environmental impacts, aligned where possible with ICMA Harmonised Framework (June 2024) and IFC Guidelines for Blue Finance v2.0, with methodologies and assumptions disclosed in A2A's externally verified sustainability reporting. A2A will use EU GBS impact templates. - External verification: annual verification (until full allocation and thereafter upon material changes) of allocated proceeds, remaining unallocated balances, and compliance with framework criteria, with reports published on A2A's website.	- A2A's commitments to detailed annual allocation and impact reporting, EU GBS templates, and external verification represent market best practice and provide strong transparency and assurance. - The breadth of impact metrics (eg renewable energy source capacity, grid MVA, water losses reduction, waste recovery indicators) and disclosure of taxonomy alignment shares enhance stakeholder understanding of environmental outcomes and additionality.
Source: A2A sustainable finance framework 2025	Source: Sustainable Fitch

Relevant UN Sustainable Development Goals

- **6.1:** By 2030, achieve universal and equitable access to safe and affordable drinking water for all.
- **6.4:** By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.



- **7.1:** By 2030, ensure universal access to affordable, reliable and modern energy services.
- **7.2:** By 2030, increase substantially the share of renewable energy in the global energy mix.
- **7.3:** By 2030, double the global rate of improvement in energy efficiency.



- **9.1:** Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
- **9.4:** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.



- **11.2:** By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
- **11.6:** By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.



- **12.3:** By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.
- **12.4:** By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment.
- **12.5:** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.



Source: Sustainable Fitch, UN

Sustainability-Linked Financing Components

KPI Selection		Alignment: Excellent
Company Material		Sustainable Fitch's View
Scopes 1 and 2 GHG emissions intensity (gCO₂e/kWh)		
- A2A defines this KPI as total Scope 1 and market-based Scope 2 CO₂e from group assets divided by total kWh produced, counting certified renewable electricity as zero and converting residual electricity (about 5%) using appropriate emission factors. The perimeter covers 100% of group assets as of 31 December 2024. - Audited historical disclosure is provided for 2017–2025 (forecast) with notes on 2020 pandemic impacts, 2021 essential heavy oil plant dispatch, and 2022 grid-stability measures.		- We view the selection of a decarbonisation KPI, focusing on Scopes 1 and 2 GHG emissions intensity, as relevant to A2A's business and sustainability strategy. A2A's decarbonisation pathway centres on renewables growth, optimisation of gas-fired assets and phase-out of coal and oil, which makes an operational emissions-intensity metric useful for investors to assess progress. KPI 1 is strengthened as it covers the entire perimeter of the group's assets as of 31 December 2024, enhancing completeness and materiality for performance tracking. - Scopes 1 and 2 GHG emissions represented 25% of A2A's total GHG emissions in 2024, underscoring that while the KPI captures a meaningful share of the company's operational footprint, a significant portion (the remaining 75%) arises from Scope 3 activities. The KPI is also both measurable and quantifiable, with a transparent methodology. - A2A calculates intensity as total CO₂e from its assets divided by total kWh produced, applying the market-based approach for Scope 2, whereby certified renewable electricity is counted as zero and the residual share (about 5%) is converted using appropriate emission factors. This adherence to a defined methodology means the KPI can be externally benchmarked, aligning with market best practice. - Market best practice also includes setting a clear perimeter and accounting basis; A2A provides an explicit cut-off date for perimeter (31 December 2024) and describes Scope 2 treatment, supporting consistency over time and comparability. - Historical disclosure strengthens the KPI. A2A provides an audited multi-year series from 2017 to 2025 (forecast), with notes explaining volatility drivers, such as the reduced emissions factor in 2020 due to pandemic effects, increased dispatch of an essential heavy oil plant in 2021 for system stability, and a higher emissions factor in 2022 linked to national grid support during the energy crisis. - We view audited disclosure and contextual notes positively, as they enhance interpretability and investor confidence relative to frameworks lacking history. Technical verification is supported by audited historical data and a commitment to semi-annual limited assurance by an independent verifier for KPI reporting under the sustainability-linked component, which we consider aligned with market best practice for credibility of performance measurement.
Renewable energy installed capacity (GW)		
A2A defines this KPI as total installed capacity from wind, solar and hydropower, with solar including both utility-scale PV and commercial-scale PV. The perimeter covers 100% of A2A activities. Audited historical disclosure is provided by technology and in total, including a forward-looking 2025 (forecast).		- We view the selection of a renewables capacity KPI, focusing on total installed capacity from wind, solar and hydropower, as relevant to A2A's business and sustainability strategy. - Renewable energy installed capacity underpins A2A's energy transition pillar and supports decarbonisation of its generation mix. KPI 2 is strengthened as it covers 100% of A2A's activities and includes both utility-scale and commercial PV, broadening the scope and improving completeness for tracking the company's renewable energy source buildout. - The KPI is measurable and quantifiable, with a clear methodology. Capacity is expressed in GW and disclosed by technology, which is simple to calculate, consistently reportable and externally verifiable, enabling comparability over time and across peers. Market best practice includes transparent definitions and technology splits, which A2A provides. - Historical disclosure is provided and audited for hydro, solar and wind, and total. We positively view the availability of historical data by technology, which enhances transparency and trend analysis.



- Technical verification is supported by audited historical data and the framework's commitment to semi-annual limited assurance, which we consider aligned with good practice for KPI credibility over time.

Installed capacity of the electricity grid (MVA)

- A2A defines this KPI as the sum of nominal capacity of high-voltage/medium-voltage (HV/MV) transformers in primary substations. The perimeter includes all relevant A2A activities. Historical disclosure is provided from 2021 to 2025F, with values rising from 4,524MVA in 2021 to 8,682MVA in 2025F.
- We view the selection of a grid capacity KPI, focusing on the sum of nominal capacity of HV/MV transformers in primary substations, as relevant to A2A's business and sustainability strategy. Electrification of consumption and integration of renewables require expanded and reinforced distribution network capacity; therefore, this enabling KPI contributes to climate change mitigation by supporting system readiness.
- KPI 3 is strengthened by its clearly defined perimeter covering all relevant A2A activities, which enhances boundary transparency for monitoring. That said, the KPI does not yet cover the full group perimeter, which slightly limits the completeness of the assessment and may understate system readiness at consolidated level; while we note that perimeter choices can reflect practical reporting considerations, and incremental expansion over time would further enhance representativeness.
- The KPI is measurable and quantifiable, with a transparent calculation methodology. Installed capacity of the electricity grid is represented by the sum of nominal HV/MV transformer capacity (MVA) in primary substations, which is objective, consistently calculable and verifiable. We consider this definition suitable as a proxy for the distribution system's ability to satisfy growing power demand under accelerated electrification.
- At the same time, the KPI is not specific to renewable energy integration; capacity expansion is supportive of decarbonisation pathways, though clarifying how planned upgrades facilitate the connection of renewable generation and flexible resources would strengthen the sustainability narrative for including this KPI.
- Historical disclosure is available for 2021–2025 (forecast), with values rising to 8,682MVA from 4,524MVA, which provides a clear trajectory and aids investor assessment. We view the consistency of the series positively; ongoing audited updates will be important as network projects progress and perimeter evolves.
- Technical verification is supported by the framework's commitment to semi-annual limited assurance of KPI reporting; explicitly confirming assurance coverage for this KPI as the grid expands would further strengthen credibility.
- Overall, the defined methodology, clear perimeter and disclosed history align with good market practice for KPI quality, and the suggested refinements would further align the KPI with stakeholders' expectations on coverage and renewable integration relevance.

Source: A2A sustainable finance framework 2025

Source: Sustainable Fitch

Performance Targets

Alignment: Good

Company Material

Sustainable Fitch's View

Scopes 1 and 2 GHG emissions intensity

- Reduction of Scopes 1 and 2 GHG emissions intensity to 228gCO₂e/kWh by 2030 and 161gCO₂e/kWh by 2035 from a 2017 baseline of 425gCO₂e/kWh.
- We consider this SPT to show good ambition. A2A discloses a long-audited history for the KPI and has set 2030 and 2035 targets of 228gCO₂e/kWh and 161gCO₂e/kWh, respectively, from a 2017 baseline of 425gCO₂e/kWh. The 2030 SPT is more ambitious than the Science Based Targets initiative 2°C-aligned trajectory of 230gCO₂e/kWh by 2030, indicating ambition above a recognised climate pathway. The historical time series and stated alignment strengthen our assessment versus cases without history.
- Using the disclosed baseline and targets, we estimate A2A would need to achieve an average annual reduction of around 4.9% from 2017 to 2030 to reach 228gCO₂e/kWh, and a steeper average reduction to 2035 to



Performance Targets	
Company Material	Alignment: Good
	Sustainable Fitch's View reach 161gCO₂e/kWh, which we view as a material improvement in the KPI over the relevant period. - The SPT aligns with A2A's strategy and external validation, the company has committed to net zero for Scopes 1, 2 and 3 by 2050, and its Scope 1 and market-based Scope 2 targets are validated by the Science Based Targets initiative as consistent with well-below 2°C reductions. This supports consistency with internationally recognised climate goals. - A2A's framework features defined target observation dates per transaction and includes reporting and verification provisions that meet standard market practice: semi-annual reporting with external limited assurance and a trigger event if SPTs are not met or verification is not published. An indicative trajectory is implied by interim values in disclosures; if a bond is called early, the trigger event mechanism relies on last available reporting. - The framework outlines decarbonisation levers to achieve the SPT, including renewable energy source buildout; optimisation and phase-down of carbon-intensive plants; hydrogen-ready combined cycle gas turbines; and carbon capture, utilisation and storage pilots scaling to full plants, along with zeroing market-based Scope 2 by 2026. Identified risks (eg regulatory requests to reactivate fossil units; technology and skills for carbon capture, utilisation and storage and for hydrogen) are disclosed. - We view the strategy to achieve the SPT, accompanied by governance via A2A's sustainable finance committee and semi-annual limited assurance, as supportive of target credibility.
Renewable energy installed capacity	
Renewable energy installed capacity increase – total installed renewable energy capacity to 3.7GW by 2030 and 5.7GW by 2035.	- We consider this SPT to demonstrate moderate ambition. A2A targets 3.7GW by 2030 and 5.7GW by 2035 of total installed renewable energy source capacity, from historical totals around 2.6GW in 2023–2024; this implies adding roughly 1.1GW by 2030 and 3.1GW by 2035. The historical series is disclosed and audited, which enables us to assess a trajectory. - Based on disclosed figures, delivery to 3.7GW by 2030 requires steady annual additions and reflects a material increase in renewables capacity aligned with the issuer's energy transition pillar. The SPT is consistent with A2A's sustainability strategy to produce more than 10TWh of green energy by 2035, supported by EUR4.5 billion of capex dedicated to renewable energy source development within a broader EUR16 billion energy transition investment plan. This supports alignment with sectoral decarbonisation pathways. - The framework features target observation dates and semi-annual reporting with external limited assurance, meeting standard market practice, and a trigger event structure consistent with ICMA-aligned sustainability-linked instruments. An indicative trajectory is provided through interim plan milestones; early redemption would rely on last reported performance relative to the relevant year. - The framework indicates actions and measures to achieve the SPT, including development of wind, solar (utility-scale and commercial PV) and hydropower, with identified risks such as authorisations, market pricing and incentives, and hydro concession renewals that could affect delivery. We view the stated plan and governance via A2A's sustainable finance committee positively for target credibility; clarifying any data inconsistencies will further strengthen reliability.
Installed capacity of the electricity grid	
Installed capacity of the electricity grid increase – electricity grid installed capacity to 10,642MVA by 2030 and 10,899MVA by 2035.	- We consider this SPT to demonstrate moderate ambition. A2A targets installed capacity of the electricity grid of 10,642MVA by 2030 and 10,899MVA by 2035, from a disclosed history rising from 4,524MVA in 2021 to 5,155MVA in 2024 and 8,682MVA in 2025 (forecast). The availability of historical data enables assessment of the trajectory and indicates a substantial step-up to 2030. - The expansion supports electrification and integration of renewables, aligning with A2A's strategy and the stated need to meet higher peak

Performance Targets

Company Material

Alignment: Good

Sustainable Fitch's View

- demand in the Milan area by 2030 with additional margin for future growth.
- The SPT is embedded in a disclosed investment plan of about EUR5 billion over 10 years (2025–2035), including more than 14 new primary substations, more than 1,100km of MV/LV line development and renewal, and about 1,400 new secondary substations, which we view as a credible plan to achieve the target. Risks are identified, including siting and permitting challenges and potential execution and specialised skills constraints.
 - The framework includes target observation dates, semi-annual reporting with external limited assurance, and a trigger event if SPTs are not achieved or verification is not published, consistent with standard market practice. It also provides for recalculation safeguards if significant perimeter or methodology changes occur (at least 5% impact), requiring external verifier confirmation and public disclosure. We view these features, alongside the governance of the sustainable finance committee, as enhancing credibility and robustness of the SPT over time.

Source: A2A sustainable finance framework 2025

Source: Sustainable Fitch

Instrument Features

Company Material

- A2A's sustainability-linked financing instruments include a sustainability-linked feature that results in a coupon or margin adjustment, or a premium payment, if a trigger event occurs; transaction-specific information, including the magnitude of any adjustment, will be defined per issuance in the relevant transaction documentation (eg sustainability-linked bonds final terms or sustainability-linked loans facility agreement). Proceeds are used for general corporate purposes.
- A trigger event occurs if one or more selected KPIs have not achieved the SPT(s) on the target observation date, or if required reporting and external verification have not been provided and made public; if SPTs are achieved and reporting/verification are provided, financial terms remain unchanged.

Source: A2A sustainable finance framework 2025

Alignment: Good

Sustainable Fitch's View

- A2A's sustainable finance framework includes a sustainability-linked feature that will result in a coupon or margin adjustment, or a premium payment of 25bp, if a trigger event occurs (eg one or more KPIs have not achieved the SPTs on the target observation date, or reporting/verification has not been provided). We view a 25bp for an unmet SPT as standard market practice.
- The framework includes a recalculation policy for significant changes (at least 5% impact) to KPI baselines or SPTs due to methodology updates, data quality, laws and regulations, or perimeter changes.
- Any recalculation must be confirmed in writing by an external verifier as consistent with A2A's strategy, at least as material and ambitious, and aligned with the ICMA Sustainability-Linked Bond Principles, and will be reported in A2A's sustainability reporting.
- We view this as a positive factor as it enhances transparency and provides investors and other stakeholders with greater confidence in the integrity and continuity of the targets.

Source: Sustainable Fitch

Reporting

Company Material

- A2A will report semi-annually, and for any date/period relevant to a trigger event, on KPI performance in its sustainability reporting, subject to limited assurance by an external independent verifier, with reports available on A2A's website. Reporting will include up-to-date KPI performance (with baselines where relevant) and information enabling investors to monitor SPT ambition (eg updates to sustainability strategy, KPI/ESG governance or policies).
- Where feasible, A2A may add explanations of performance drivers (including M&A), illustrations of sustainability impacts, and any reassessments or restatements. For loan transactions, A2A will provide lenders a sustainability certificate detailing SPT performance at the observation date and the economic impact (such as margin adjustment).

Source: A2A sustainable finance framework 2025

Alignment: Excellent

Sustainable Fitch's View

- A2A has clearly committed to provide semi-annual reporting on KPI performance (and for any date/period relevant to a trigger event) in its sustainability reporting, with limited assurance by an external independent verifier and publication on A2A's website, which is in line with best practice.
- A2A's reporting commitments follow recommended post-issuance practices in the ICMA Sustainability-Linked Bond Principles, including up-to-date KPI performance (with baselines where relevant), information enabling investors to monitor the level of ambition of SPTs (eg strategy or governance updates), and, when feasible, explanations of drivers of KPI evolution, impacts of improvements, and any reassessments or restatements. The public availability of reporting enhances transparency for investors and other stakeholders.

Source: Sustainable Fitch



Verification		Alignment: Excellent	
Company Material		Sustainable Fitch's View	
- A2A will conduct a semi-annual external verification of KPI performance relative to the SPTs, performed by an independent external verifier to a limited assurance standard. - The verification results will be made available on A2A's website and included in A2A's sustainability reporting. Verification will be undertaken semi-annually and for any date/period relevant to assessing a trigger event.		- A2A's reporting is excellent as it will be subject to semi-annual external verification of KPI performance relative to SPTs, and made available on A2A's website as part of sustainability reporting. - A2A's framework commits to mandating an independent external verifier to a limited assurance standard, which strengthens the verification. - We view the use of an independent third party with expertise in sustainability performance assessments as good market practice that enhances credibility for investors.	
Source: A2A sustainable finance framework 2025		Source: Sustainable Fitch	

Appendix A: Principles and Guidelines

Type of Instrument: Green

Four Pillars

1) Use of Proceeds (UoP)	Yes
2) Project Evaluation & Selection	Yes
3) Management of Proceeds	Yes
4) Reporting	Yes

Independent External Review Provider

Second-party opinion	Yes
Verification	No
Certification	No
Scoring/Rating	No
Other	n.a.

1) Use of Proceeds (UoP)

Renewable energy	Yes
Energy efficiency	Yes
Pollution prevention and control	Yes
Environmentally sustainable management of living natural resources and land use	No
Terrestrial and aquatic biodiversity conservation	No
Clean transportation	Yes
Sustainable water and wastewater management	Yes
Climate change adaptation	No
Certified eco-efficient and/or circular economy adapted products, production technologies and processes	No
Green buildings	No
Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP	No
Other	n.a.

2) Project Evaluation and Selection

Evaluation and Selection

Credentials on the issuer's social and green objectives	Yes
Documented process to determine that projects fit within defined categories	Yes
Defined and transparent criteria for projects eligible for sustainability instrument proceeds	Yes
Documented process to identify and manage potential ESG risks associated with the project	Yes
Summary criteria for project evaluation and selection publicly available	Yes
Other	n.a.

Evaluation and Selection, Responsibility and Accountability

Evaluation and selection criteria subject to external advice or verification	No
In-house assessment	Yes
Other	n.a.

3) Management of Proceeds

Tracking of Proceeds

Sustainability instrument proceeds segregated or tracked by the issuer in an appropriate manner	Yes
Disclosure of intended types of temporary investment instruments for unallocated proceeds	Yes
Other	n.a.

Additional Disclosure

Allocations to future investments only	No
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Type of Instrument: Green

Allocations to both existing and future investments	Yes
Allocation to individual disbursements	No
Allocation to a portfolio of disbursements	Yes
Disclosure of portfolio balance of unallocated proceeds	Yes
Other	n.a.

4) Reporting

UoP Reporting

Project-by-project	No
On a project portfolio basis	Yes
Linkage to individual instrument(s)	Yes
Other	n.a.

UoP Reporting/Information Reported

Allocated amounts	Yes
Sustainability instrument-financed share of total investment	No
Other	n.a.

UoP Reporting/Frequency

Annual	Yes
Semi-annual	No
Other	n.a.

Impact Reporting

Project-by-project	No
On a project portfolio basis	Yes
Linkage to individual instrument(s)	Yes
Other	n.a.

Impact Reporting/Information Reported (exp. ex-post)

GHG emissions/savings	Yes
Energy savings	Yes
Decrease in water use	Yes
Other ESG indicators	n.a.

Impact Reporting/Frequency

Annual	Yes
Semi-annual	No
Other	n.a.

Means of Disclosure

Information published in financial report	No
Information published in ad hoc documents	Yes
Information published in sustainability report	Yes
Reporting reviewed	Yes
Other	n.a.

Note: n.a. – not applicable.

Source: Sustainable Fitch, ICMA, LMA, LSTA and APLMA

Appendix A: Principles and Guidelines

Type of Instrument: Sustainability-Linked

Five Pillars

1) KPI	Yes
2) Sustainability Performance Target (SPT)	Yes
3) Characteristics	Yes
4) Reporting	Yes
5) Verification	Yes

Structure of the Instrument

A step-up structure	Yes
A variable redemption structure	No

Independent External Review Provider

Second-party opinion	Yes
Verification	No
Certification	No
Scoring/rating	No
Other	n.a.

1) KPI

KPIs/List of KPIs

KPI #1	Scopes 1 and 2 GHG emissions intensity
KPI #2	Renewable energy installed capacity
KPI #3	Installed capacity of the electricity grid

KPIs/Definition, Scope and Parameters

Clear definition of each selected KPI	Yes
Clear calculation methodology	Yes
Other	n/a

KPIs/Relevance, Robustness and Reliability of the Selected KPIs

Credentials that the selected KPIs are relevant, core and material to the issuer's sustainability and business strategy	Yes
Credentials that the KPIs are measurable or quantifiable on a consistent methodological basis	Yes
Evidence that the KPIs are externally verifiable	No
Evidence that the KPIs can be benchmarked	No
Other	n.a.

2) Sustainability Performance Target (SPT)

SPTs/Rationale and Level of Ambition

Evidence that the SPTs represent a material improvement	Yes
Evidence that SPTs are consistent with the issuer's sustainability and business strategy	Yes
Credentials on the relevance and reliability of selected benchmarks and baselines	Yes
Credentials that the SPTs are determined on a predefined timeline	Yes
Other	n.a.



Type of Instrument: Sustainability-Linked

SPTs/Benchmarking Approach	
Issuer's own performance	Yes
Issuer's peers	No
Reference to the science	Yes
Other	n.a.
SPTs/Additional Disclosure	
Framework includes description of potential recalculations or adjustments	Yes
Issuer's strategy to achieve the SPTs	Yes
Identification of key factors that may affect the achievement of the SPTs	Yes
3) Characteristics	
Instrument Characteristics/Financial impact	
Variation of the coupon	Yes
Other	n.a.
Instrument Characteristics/Structural Impact	
Other	n.a.
4) Reporting	
Reporting/Information Reported	
Performance of the selected KPIs	Yes
Level of ambition of the SPTs	Yes
Verification assurance report	Yes
Other	n.a.
Reporting/Frequency	
Annual	No
Semi-annual	Yes
Other	n.a.
Reporting/Mean of Disclosure	
Information published in financial report	No
Information published in ad hoc documents	Yes
Information published in sustainability report	Yes
Reporting reviewed	Yes
Other	n.a.
Reporting/Level of Assurance on Reporting	
Limited assurance	Yes
Reasonable assurance	No
Other	n.a.
5) Verification	
Verification (Post-Issuance)/Information Reported	
Limited assurance	Yes
Reasonable assurance	No
Other	n.a.

Type of Instrument: Sustainability-Linked

Verification (Post-Issuance)/Frequency	
Annual	No
Semi-annual	Yes
Other	n.a.
Verification (Post-Issuance)/Material Change	
Perimeter	No
SPTs calibration	No
KPI methodology	No
Source: Sustainable Fitch, ICMA, LMA, LSTA and APLMA	
Note: n.a. – not applicable.	

Appendix B: Definitions

Term	Definition
Debt types	
Green	Proceeds will be used for green projects and/or environmental-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Green Bond Principles or other principles, guidelines or taxonomies.
Social	Proceeds will be used for social projects and/or social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Social Bond Principles or other principles, guidelines or taxonomies.
Sustainability	Proceeds will be used for a mix of green and social projects and/or environmental and social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Sustainability Bond Guidelines or other principles, guidelines, taxonomies.
Sustainability-linked	Financial and/or structural features are linked to the achievement of pre-defined sustainability objectives. Such features may be aligned with ICMA Sustainability-linked Bond Principles or other principles, guidelines or taxonomies. The instrument is often referred to as an SLB (sustainability-linked bond) or SLL (sustainability-linked loan).
Conventional	Proceeds are not destined for any green, social or sustainability project or activity, and the financial or structural features are not linked to any sustainability objective.
Other	Any other type of financing instrument or a combination of the above instruments.
Standards	
ICMA	International Capital Market Association. In the Second-Party Opinion we refer to alignment with ICMA's Bond Principles: a series of principles and guidelines for green, social, sustainability and sustainability-linked bonds.
LMA, LSTA and APLMA	Loan Market Association (LMA), Loan Syndications and Trading Association (LSTA) and Asia Pacific Loan Market Association (APLMA). In the Second-Party Opinion we refer to alignment with Sustainable Finance Loan Principles: a series of principles and guidelines for green, social and sustainability-linked loans.
EU Green Bond Standard	A set of voluntary standards created by the EU to "enhance the effectiveness, transparency, accountability, comparability and credibility of the green bond market".
Source: Sustainable Fitch, ICMA, UN, EC Platform on Sustainable Finance	



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The Second-Party Opinion was solicited and assigned or maintained by Sustainable Fitch at the request of the entity.

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